



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

FEB 14 2006

(AR-18J)

Mr. Paul Dubenetzky  
Assistant Commissioner  
Office of Air Quality  
Indiana Department of Environmental Management  
100 North Senate Avenue  
Indianapolis, Indiana 46204

Dear Mr. Dubenetzky:

We have reviewed the your September 13, 2005, letter requesting that the Environmental Protection Agency (EPA) provide a determination on the availability of New Source Review emission offset credits from the shutdown of a coating line at Sonoco Flexible Packaging, Incorporated. We would like to provide you with the following analysis.

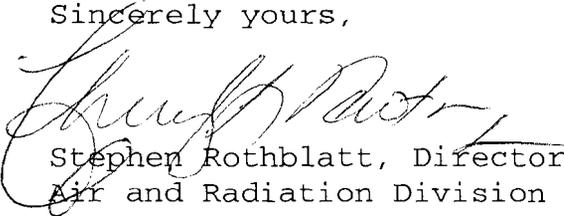
According to your letter, Sonoco Flexible Packaging (Sonoco) shutdown its Tower 7 coating line in 2005, resulting in an estimated emissions reduction of 507 tons per year of volatile organic compounds (primarily Toluene). It is our understanding that the Tower 7 coating line has been permanently shutdown and removed from the emissions inventory as a source of emissions at the Sonoco facility. If this facility had continued to operate this coating line, it would have become subject to 40 CFR Part 63 Subpart JJJJ (the Paper and Other Web Coating NESHAP) and been required to reduce Toluene emission from this coating line by the compliance date of December 5, 2005. However, since Sonoco shut down this coating line prior to the compliance date, the volatile organic compound (primarily Toluene) reductions necessary to comply with Subpart JJJJ were no longer an applicable requirement.

Section 173(c)(2) of the Clean Air Act (Act) provides that "[e]missions reductions otherwise required by [the Act] shall not be creditable as emissions reductions for purposes of any such offset requirement." Id. Since the coating line shutdown prior to the compliance date, we find that all of the actual emission reductions should be

available and creditable because the reductions resulting from the shutdown of the Tower 7 coating line were not "required by the Act". This finding was made in consultation with the Office of Air Quality, Planning, and Standards.

If you have any concerns or questions regarding this letter, please feel free to contact Ethan Chatfield, of my staff, at (312) 886-5112.

Sincerely yours,



Stephen Rothblatt, Director  
Air and Radiation Division